# STATE OF ALASKA

# Department of Administration

Alaska Public Offices Commission

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September 21, 2000

Jonathan Levin Office of General Counsel Federal Election Commission 999 E Street, N.W. Washington, DC 20463

Comments AOR 2000-24

Re: Alaska Democratic Party's Request for an Advisory Opinion

Dear Mr. Levin:

The purpose of this letter is to supplement our previous response. It is my understanding that you have three additional questions: (1) What allocation percentage will the APOC accept from the ADP; (2) Will the APOC accept changes in that allocation; and (3) How does the APOC's position differ from Massachusetts' position in FEC AO 1993-17?

#### Background:

In May of 2000, staff of the Alaska Public Offices Commission (APOC) met with the Alaska Democratic Party (ADP) and another party to discuss several issues. One issue that was discussed was the allocation of administrative expenses and generic voter drive expenses between state and federal activity. The ADP indicated to the APOC that they had determined the allocation was 40% federal and 60% state based on the federal allocation method. The APOC did not participate in this determination. The APOC's follow up letter, dated July 10, 2000, used the ADP's representations in an attempt to provide assistance to the ADP and not to establish a mandate. It was not represented to the APOC that a higher federal percentage was warranted. After receipt of the letter, the ADP expressed concern about having to use the federal allocation method for state activity. In a subsequent telephone conversation, the APOC told the ADP that this allocation problem should be explored further by both parties and that maybe a different resolution could be reached. The ADP expressed to the APOC that they were willing to work with the APOC on resolving the problem, but believed and wanted to confirm that they had the legal right to pay 100% of their administrative expenses and generic voter drive expenses from federal funds. As a result the ADP requested an advisory opinion from the FEC.

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# What allocation percentage will the APOC accept:

The APOC is <u>not</u> specifying an allocation percentage. The APOC will accept an allocation percentage that the ADP determines, in good faith, to represent state funds in support of state activity and federal funds in support of federal activity. For example, if the ADP determines that their generic voter drives actually affects more federal candidates then state candidates then their overall allocation percentage should reflect that. The APOC cannot make these judgements; only the ADP can make these judgements. However, when there is state and federal activity, identifying all administrative expenses as federal activity would not be acceptable.

# Will The APOC accept changes in that allocation:

Yes. Again, it is up to the party to determine what activity is state and what activity is federal. At any point, if the ADP, in good faith, determines that there is a change in the proportion of administrative expenses and generic voter drive expenses supporting state and federal activity then they may change the allocation.

#### How Does APOC's Position Differ from Massachusetts':

Based on APOC's reading of FEC AO 1993-17, the APOC's position differs in three ways from Massachusetts' position in that opinion. First, the APOC is not interfering with the ADP's discretionary point allocation as provided in 11 CFR 105.6. Second, the APOC is not preventing the ADP from using a higher percentage of strictly federal contributions, if in fact administrative expenses and generic voter drive expenses support more federal activity then state activity. Finally, the APOC is not requiring the ADP to pay for administrative expenses and generic voter drive expenses out of a specific account, only that funds used to pay the portion of administrative expenses and generic voter drive expenses that support state activity meet Alaska law, and are reported as state activity.

We hope this letter resolves your questions. If you have any additional questions, please feel free to contact me.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION

Shelley Ebenal

Assistant Director

cc: Karen Boorman, Executive Director

Senior Staff APOC

Commission Members

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Nancy Gordon, Chief Asst. Atty. General